

AMENDED IN SENATE AUGUST 28, 2000

AMENDED IN ASSEMBLY APRIL 5, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 674

Introduced by Assembly Member Wiggins

February 23, 1999

~~An act to add Section 4440.2 to the Welfare and Institutions~~
An act to amend Section 19134 of the Government Code,
relating to personal services contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 674, as amended, Wiggins. Personal services contracts: janitorial and housekeeping services.

Existing law permits state agencies to enter into personal services contracts when certain conditions are met.

Existing law requires a state agency that enters into a personal services contract for certain types of workers to include provisions for employee benefits that are valued at least 85% of the state employer cost of providing comparable benefits to state employees performing similar duties. The types of workers covered by this requirement include persons that provide janitorial and housekeeping services, custodians, food service workers, laundry workers, window cleaners, and security guards.

This bill would recast these provisions and would permit contractors to comply with these provisions by a cash payment to employees, as specified.

The bill would permit the Director of the Department of General Services to exempt individual contracts from complying with these requirements based on a finding that it is in the best interest of the state, and would permit the Department of General Services and the Department of Personnel Administration to adopt guidelines and regulations to implement these requirements.

~~This bill would provide that these personal services contracts entered into by a state agency for janitorial and housekeeping services at state developmental centers, as defined, shall include provisions for paid medical, hospitalization, prescription, major medical, dental, vision, vacation, and pension benefits for individuals who perform services pursuant to those contracts.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 4440.2 is added to the Welfare~~
2 *SECTION 1. Section 19134 of the Government Code*
3 *is amended to read:*
4 19134. (a) Personal services contracts entered into
5 by a state agency in accordance with ~~subdivision (a) of~~
6 Section 19130 for persons providing janitorial and
7 housekeeping services, custodians, food service workers,
8 laundry workers, window cleaners, and security guard
9 services shall include provisions for employee benefits
10 that are valued at least 85 percent of the state employer
11 cost of ~~comparable~~ benefits provided to state employees
12 for performing similar duties.
13 (b) For purposes of this section, “benefits” includes
14 “health, dental, and vision, ~~and similar group insurance~~
15 benefits.”
16 (c) (1) The Department of Personnel Administration
17 shall ~~determine~~ *establish* annually the state employer
18 benefit costs for workers covered ~~under subdivision (a)~~
19 *pursuant to this section.*
20 (2) *Benefit costs shall be established using rates based*
21 *on single employee, employee plus one dependent, and*

1 *employee plus two or more dependents, or the costs may*
2 *be based on a blended rate, subject to the determination*
3 *of the Department of Personnel Administration.*

4 *(d) In lieu of providing actual benefits, contractors*
5 *may comply with this section by a cash payment to*
6 *employees equal to the applicable determination under*
7 *subdivision (c).*

8 *(e) Failure to provide benefits or cash-in-lieu to*
9 *employees as required under this section shall be deemed*
10 *to be a material breach for any contract for personal*
11 *services covered by this section.*

12 *(f) The Director of the Department of General*
13 *Services may exempt individual contracts from*
14 *complying with the requirements of this section based on*
15 *a finding that it is in the best interests of the state.*

16 *(g) The Department of General Services and the*
17 *Department of Personnel Administration may adopt*
18 *guidelines and regulations to implement the*
19 *requirements of this section.*

20 ~~(d)~~

21 *(h) This section applies to all contracts exceeding 90*
22 *days.*

23 ~~and Institutions Code, to read:~~

24 ~~4440.2. Personal services contracts entered into by a~~
25 ~~state agency in accordance with Section 19130 of the~~
26 ~~Government Code, for janitorial and housekeeping~~
27 ~~services at state developmental centers, as defined by~~
28 ~~Section 4440.5, shall include provisions for paid medical,~~
29 ~~hospitalization, prescription, major medical, dental,~~
30 ~~vision, vacation, and pension benefits for individuals who~~
31 ~~perform services pursuant to those contracts.~~